



CITY OF DURHAM | NORTH CAROLINA

Date: May 29, 2015

To: Thomas J. Bonfield, City Manager
Through: W. Bowman Ferguson, Deputy City Manager
From: Marvin G. Williams, Director of Public Works
Subject: License Agreement with Google Fiber North Carolina, LLC

Executive Summary

Google Fiber North Carolina, LLC (Google Fiber) proposes to install and maintain a fiber optic network within City limits. A license agreement is required when private utilities, such as conduits and fiber optic cable, are installed in the public right-of-way within the City limits. Pursuant to Section 62-57 of the City of Durham Code of Ordinances, Google Fiber seeks approval of the License Agreement from City Council.

This license agreement would only permit Google Fiber, upon obtaining required approvals and permits, to place its Facilities in those portions of the public right-of-way approved by the City.

Recommendation

The Department of Public Works recommends that the City Council authorize the City Manager to enter into a license agreement with Google Fiber North Carolina, LLC for installation of Facilities within public rights-of-way located within City limits.

Background

Google Fiber proposes to install and maintain Facilities within City limits. Per Section 62-57 Franchises and Licenses of the City of Durham Code of Ordinances, a user shall apply for a license prior to placement or maintenance of facilities in the public way. A separate excavation permit from the City's Public Works Department is required for the actual construction of the fiber optic network.

Google Fiber has agreed to the terms of the License Agreement and will provide a \$1,000,000 performance bond. The scope of work proposed by Google Fiber includes the below ground installation of approximately 651 miles of fiber optic cable throughout the City.

Issues/Analysis

Any feature in the right-of-way has the potential to pose a hazard to the public, and to

cause damage to other utilities in or near the right of way. (To the maximum extent allowed by law, Licensee shall defend, indemnify, and save harmless Indemnitees from and against all charges that arise in any manner from, in connection with, or out of this license (including but not limited to the constructing, maintaining, or repairing the pavement, street, curb and gutter, sidewalk, water lines and services, fire hydrants, valves, sewer manholes, sewer lines and services, storm water structures and lines, and in the installation, preparation, maintenance, repair, or removal of the System) as a result of acts or omissions of Licensee or subcontractors or anyone directly or indirectly employed by any of them or anyone for whose acts any of them may be liable. In performing its duties under this subsection "A", Licensee shall at its sole expense defend Indemnitees with legal counsel reasonably acceptable to City of Durham.

Alternatives

City Council can choose not to approve the request.

Financial Impact

The Licensee will assume the cost of installation, maintenance, and repair, including the cost of repairs to the street and pavement associated with the installation, maintenance, and repair of the Facilities.

SDBE Summary

The SDBE Summary is not applicable for this update.